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Mozambique: Short-Term Prospects

Special National Intelligence Estimate

SNIE 72.3-85
June 1985

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MOZAMBIQUE: SHORT-TERM PROSPECTS

Information available as of 20 June 1985 was used in the preparation of this Estimate, which was approved by the National Foreign Intelligence Board on that date.

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THE NATIONAL FOREIGN INTELLIGENCE BOARD CONCURS, EXCEPT AS NOTED IN THE TEXT.

The following intelligence organizations participated in the preparation of the Estimate:

The Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, and the intelligence organization of the Department of State.

Also Participating:

The Assistant Chief of Staff for Intelligence, Department of the Army

The Director of Naval Intelligence, Department of the Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

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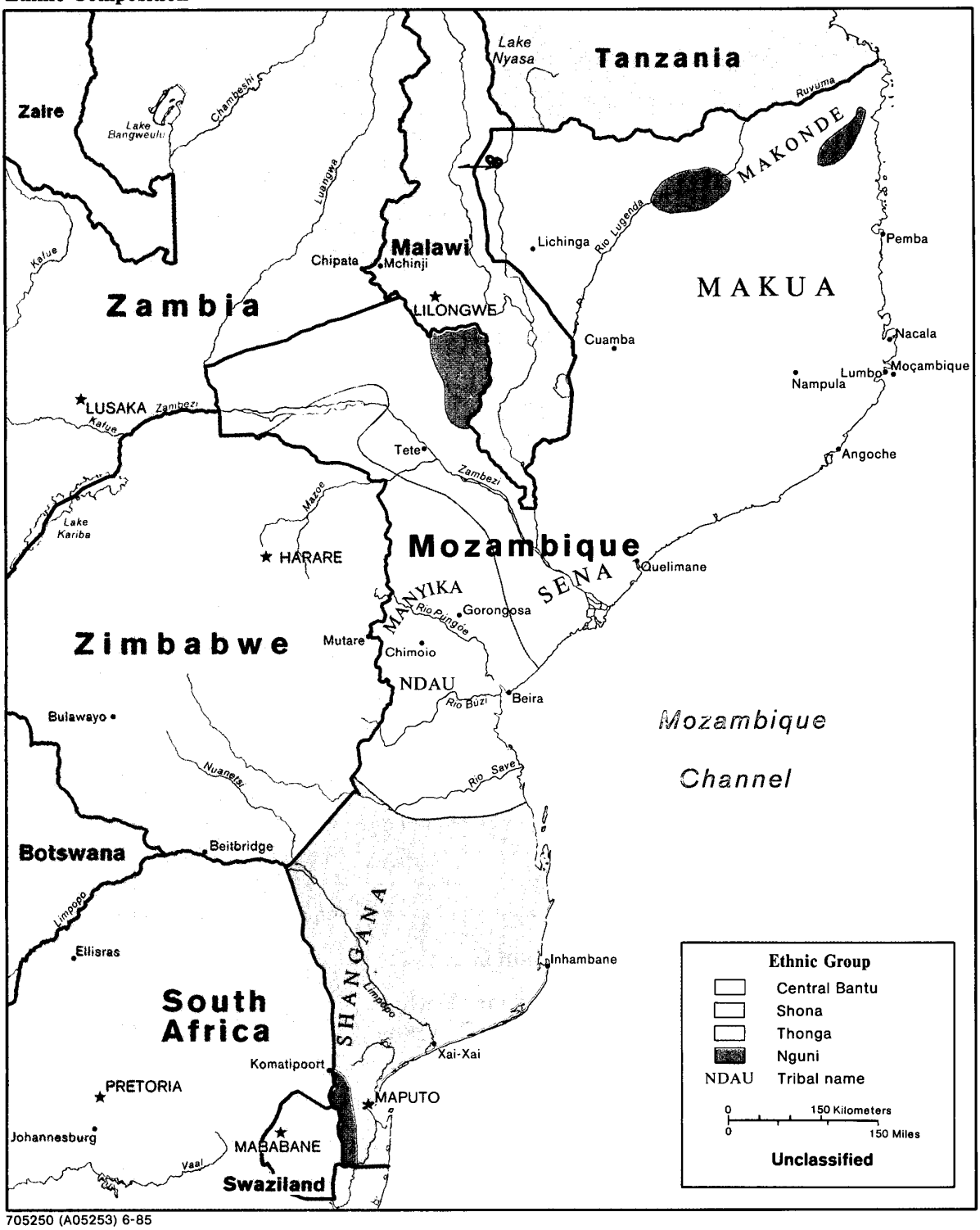
Figure 1
Ethnic Composition



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KEY JUDGMENTS

Despite the widely shared belief that the Nkomati Accord signed in March 1984 between Mozambique and South Africa would strengthen Mozambique's hand against the Mozambique National Resistance (RENAMO) insurgent movement, the Mozambican Government's security position continues to decline. Building on its strong tribal and geographic base in central Mozambique, RENAMO is now able to move freely throughout all 10 provinces and increasingly is showing the ability to raid—but not take and hold—major cities. In our judgment, the Mozambican Government will survive over the 12-month time frame of this Estimate, but stands little chance of stemming the deteriorating security situation. In fact, we believe the security situation is likely to deteriorate even more rapidly and that by mid-1986 the government may find itself in absolute control of little more than the major urban enclaves and some pockets in rural areas.

Prospects for Mozambique's shattered economy are equally grim. While Western economic assistance has managed to keep the economy marginally afloat, years of misguided Marxist economic policies, civil war, and drought have brought the modern sector of the economy to near collapse. Tentative steps at rational reform, encouragement of private enterprise and foreign investment, good rainfall, and first steps away from a centrally planned economy show some promise, but we see little likelihood that economic conditions will improve much as long as security conditions continue to deteriorate. Moreover, relations with international creditors and donors may become more strained as the overall economic and security situation declines. We see no chance of significant new foreign investment during the period of this Estimate.

Despite these conditions, RENAMO is not well positioned to gain an outright military victory. RENAMO's ability to expand its operations and consolidate its gains quickly and decisively during the next 12 months will be constrained by its limited political infrastructure, the lack of substantial foreign sources of arms and funds, and potentially stiffer government resistance as Mozambican forces abandon the countryside in favor of defending major urban areas.

The increasingly tenuous security situation will strain the ruling FRELIMO's heretofore relatively cohesive leadership and increase the prospects for a coup against President Machel. Reports have surfaced of conspiracies and plotting among senior FRELIMO figures, some of whom appear to be engaged in secret negotiations with RENAMO and

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who presumably would attempt to form a government of national unity with RENAMO should they seize power. Others, representing the doctrinaire, pro-Soviet Marxist-Leninists within FRELIMO, appear to be plotting on the left and presumably would return to a more orthodox Marxist-Leninist course closely tied to the Soviet Union and reversing Machel's "revisionism" should they come to power.

We lack sufficient information about the internal dynamics and the relative strengths and weaknesses of various factions to make firm predictions about the likelihood of a coup attempt, much less its success, from either camp. We note, however, that Samora Machel historically has proved himself an adroit survivor, capable of both ruthlessness and major policy adjustments to ease internal pressures. As such, we believe Machel could be tempted either to make a serious attempt to accommodate RENAMO or to renounce his opening to the West and the Nkomati Accord, implicitly in an effort to court greater assistance from the Soviets. Such moves in themselves, however, would be unlikely in the next 12 months to improve the overall security situation or cause the collapse of the FRELIMO government.

A weakened FRELIMO government is cause for concern for the Soviet Union. Although Moscow has reservations about Machel's economic reforms and overtures to the West and the signing of the Nkomati Accord, the Soviets retain significant ties to the current regime that include a Treaty of Friendship and Cooperation, party-to-party agreements, a widely perceived ideological and political affinity, and extensive security links that encompass significant military assistance.

Overall, the Soviets do not appear to believe their basic goal—maintaining a generally pro-Soviet "socialist" regime in Maputo—is immediately threatened. Moscow is therefore likely to pursue its policy of enabling the Machel government to defend key cities against the insurgents by supplying some military assistance, but avoiding making the major commitment of aid that would be needed for Machel to defeat RENAMO.

Moscow has two less palatable options—disengagement or more direct involvement:

— Disengagement would call into question Moscow's reliability as an ally, and almost certainly would be seen in the Kremlin as a setback. We believe disengagement unlikely under these circumstances.

— The pressure of a deteriorating situation may tempt Moscow to stimulate a coup against Machel by pro-Soviet elements of FRELIMO. The Soviets, however, have other assets to maintain

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the FRELIMO regime in power in the capital without having to resort to a coup. For example, they could pressure Fidel Castro to commit Cuban combat troops that could make effective use of Soviet-supplied arms. Provided Mozambican ports and key airfields were secure, the transfer of 5,000 to 10,000 Cuban troops and necessary support materiel could be carried out over the course of a few months. We believe that Moscow would not commit its own combat troops, but that the Soviet military and advisory presence could be increased and Soviet air and sea transport support could be augmented. These options would run the risk of provoking some form of hostile South African reaction, and so must be considered high risk and, in our judgment, improbable.

South Africa's relations with Mozambique also are likely to come under greater strain. Elements in the South African leadership—particularly in the military—that have consistently advocated South Africa's earlier policy of aiding RENAMO are likely to press for a return to that policy as RENAMO's military fortunes wax. Any statements or actions by Machel and FRELIMO that appear to South Africa as "backsliding" from Nkomati or the opening to the West will add to South Africa's discomfort. Nevertheless, we expect the South African Government will continue providing economic, political, and security support to the Machel regime as long as Machel remains in power and avoids policy shifts openly hostile to Pretoria. A major "about-face" by Maputo judged hostile to South Africa's interests—such as openly renouncing Nkomati—could spur South Africa to reverse course and once again provide substantial support to RENAMO.

The Mozambique situation contains positive implications for the United States in terms of damage to Soviet external policy, both in the region and generally:

— Continuation of the present situation could lead to a further erosion of Soviet influence and credibility as a military patron and a political-economic role model.

— Should Machel or accommodationist successors engage RENAMO seriously in reconciliation talks, the Soviets could be provoked to disengage, at least to some extent.

— Although an outright RENAMO victory is unlikely, it would represent a serious defeat in that an established Soviet client regime had been overthrown by indigenous non-Marxist forces, and it would also deny Moscow air and naval access.

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On the other hand, the United States must also consider potentially negative implications for US interests:

— A continuation of the current situation will increase pressure on the United States for economic aid, debt relief, and military assistance for Mozambique. Failure to meet these expectations could provoke a reaction by the Mozambican Government away from economic reform and dialogue with the West.

— Should the security situation deteriorate precipitately, Machel—or a hardline successor—could feel compelled to renounce the Nkomati Accord and move closer to the Soviet Union. This would return the situation to the status quo ante 1983—a Soviet client confronting a hostile South Africa, a situation judged against US interests.

— A RENAMO victory would usher in a pro-Western but weak regime facing a devastated economy and the possibility of a new civil war against FRELIMO remnants supported by Frontline States and the Soviet Bloc. Neighboring states would feel threatened and probably would seek new Soviet military assistance. Most of the Third World would perceive a RENAMO victory as "evidence" of US–South African collaboration. As a result, US interests, particularly in black Africa, could be severly damaged.

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DISCUSSION

Introduction

1. The signing in March 1984 of the Nkomati Accord between South Africa and Mozambique served as a dramatic denouement to a series of policy changes begun by Mozambican President Samora Machel in 1983. Faced with a collapsing economy and a mushrooming insurgency, Machel felt he had little choice but to take a bold decision and accept the Accord, which called for Mozambique to prohibit the African National Congress (ANC) from launching military actions from its territory against South Africa, and for South Africa to end its support for the Mozambique National Resistance (RENAMO). Although security concerns were paramount for both sides, the talks also covered the need for greater cooperation on economic, transportation, and labor issues.

2. A year later Machel remains committed to maintaining the Accord, but his high expectations are unfulfilled. The insurgency has spread to all areas of the country despite the general recognition that the South African Government in the main has honored its promise to stop supplying the insurgents. Meanwhile, Mozambique's desperate economic situation shows no signs of significant recovery.

3. Neither side now seems willing to negotiate an end to the fighting. RENAMO, for example, continues to call for the almost complete abdication of power by the Revolutionary Front for the Liberation of Mozambique (FRELIMO) as well as the withdrawal of all foreign military personnel. For its part, FRELIMO refuses to grant even partial legitimacy to what it refers to as the "armed bandits," and thus far has held out only the prospects of amnesty and reintegration—and possible future employment as contract workers in South Africa—to defecting guerrillas.

The Machel Government Under Siege

The RENAMO Threat

4. RENAMO—with 12,000 to 15,000 armed insurgents plus several thousand auxiliaries—is a serious and growing military threat to the Machel government. Despite its origins during the Rhodesian civil war and its initial links first to Rhodesian and then to South African intelligence organizations, it has developed into an organization with staying power, possessing an effective command-and-control network including a workable infrastructure that supplies food as well as intelligence. RENAMO describes itself in its constitution and other public statements as pro-West and favoring democratic principles, free elections, and private enterprise. In practice, it largely defines itself as opposing all policies and practices of the Machel government.

5. Insurgent activity has expanded rapidly since the signing of the Nkomati Accord in March 1984. The number of guerrilla incidents we have recorded grew to over 700 in 1984, an increase of more than 50 percent over 1983. Guerrilla activity has increased

The Nkomati Accord

The Nkomati Accord was signed at Komatipoort on the South African–Mozambican border on 16 March 1984 by Mozambican President Samora Machel and South African Prime Minister (now State President) P. W. Botha. The six articles of the nonaggression pact pledge Pretoria and Maputo "to refrain from interfering in the internal affairs of the other," and to prevent their territories from being used as a base for military intervention, terrorism, or hostile propaganda. The pact was designed primarily to deny Mozambican territory to the military wing of the African National Congress and to halt South African support for the RENAMO insurgency. The Accord called for both parties to patrol the international border and to establish a joint security commission.

While evidence indicates that both parties have in the main adhered to the pact, both Pretoria and Maputo have selectively interpreted some articles of the agreement. The official Mozambican media, for example, continue to carry harsh anti-South African rhetoric, while South Africa initially has been slow in tracking down RENAMO supporters in South Africa. Until recently the joint border was poorly patrolled and the joint security commission has yet to function as more than a forum for discussion.

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dramatically near Maputo, where RENAMO has ambushed road and rail traffic, destroyed bridges, factories, and powerlines, and raided settlements and government positions in order to isolate the capital and cause panic. A second area of insurgent focus has been Zambesia and Tete Provinces, where RENAMO's attacks on the Mozambican Army, government offices, transportation links, and development projects have paralyzed the economy and are threatening to eliminate FRELIMO's rural presence.

6. The contrast between insurgent operations near Maputo and those in the north has contributed to contradictory views of RENAMO's cohesion and legitimacy. In the south, far from insurgent headquarters, some small and perhaps poorly disciplined guerrilla units have conducted brutal attacks against undefended civilians in addition to assaulting military and economic targets. In the central and northern provinces, however, larger units of up to several hundred guerrillas mount aggressive and successful attacks on military bases and protected convoys. Many foreign observers in Maputo accept the government's claim that RENAMO is a criminal group rather than an established insurgency, but their perspective misses the evidence of well-organized guerrilla warfare elsewhere.

7. RENAMO's offensive in the Maputo area, which began in mid-May 1985 with attacks in the capital suburbs, probably will include large guerrilla operations.

8. RENAMO's indigenous political support is grounded among the tribal groups of central Mozambique, particularly among the Ndau-, Sena-, Manyika-, and Shona-speaking groups that make up approximately 20 percent of the population. There is reporting that the insurgents recently began to establish administrative control in Shona-speaking areas near the Mozambican-Zimbabwean border. The disgruntled Makua and Makonde tribes in northern Mozambique—which feel underrepresented in and neglected by the central government—also offer a fertile field for expansion. RENAMO has had less success generating popular support among southern tribes, which are well represented at the senior level of FRELIMO.

9. In our judgment, foreign support is not now a critical factor in RENAMO's ability to carry on a countrywide insurgency. The extensive training, logistic, and operational support provided by the South African Defense Force officially ended with the signing of the Nkomati Accord, and since then the guerrillas have operated largely with stockpiled supplies and those captured from the Mozambican Army. RENAMO also has been able to call on expatriate Portuguese businessmen living in South Africa and elsewhere for support, although the extent of this support is difficult to gauge. Frequent reports of financial support from conservative European and Middle Eastern sources are unsubstantiated. Some elements of the South African Government, particularly within the military, probably have continued to maintain contact with RENAMO outside of semiofficial diplomatic communications. Any clandestine support associated with these contacts—which would be contrary to stated South African policy—would not include significant deliveries of military materiel.

10. Important to RENAMO's supply effort is its ability to capture military supplies from government forces that the insurgents capture considerable weaponry during battle and often have been able to forge agreements with FRELIMO commands to trade weapons and ammunition for the release of Armed Forces of Mozambique (FAM) prisoners, safe passage, or relief from guerrilla attack.

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11. RENAMO is not without serious weaknesses. Militarily, the insurgents lack the heavy weapons and logistic and transport networks essential to undertake conventional military operations. Moreover, their lack of antiaircraft weapons makes them vulnerable to air attack and airmobile operations if they are located and pinned down. Thus far, RENAMO has not challenged the government for control of urban areas, although recent operations around Beira and Nacala suggest the insurgents may be changing their tactics.

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12. RENAMO also suffers from a number of serious political liabilities:

— RENAMO has no leader with the stature of Machel and has thus far not developed a political infrastructure commensurate with its military arm. We have little evidence that the insurgents have transformed sympathy and antigovernment sentiment into more long-lasting political support. In the south, RENAMO's tribal makeup and alleged brutality toward civilians have alienated important elements of the local population.

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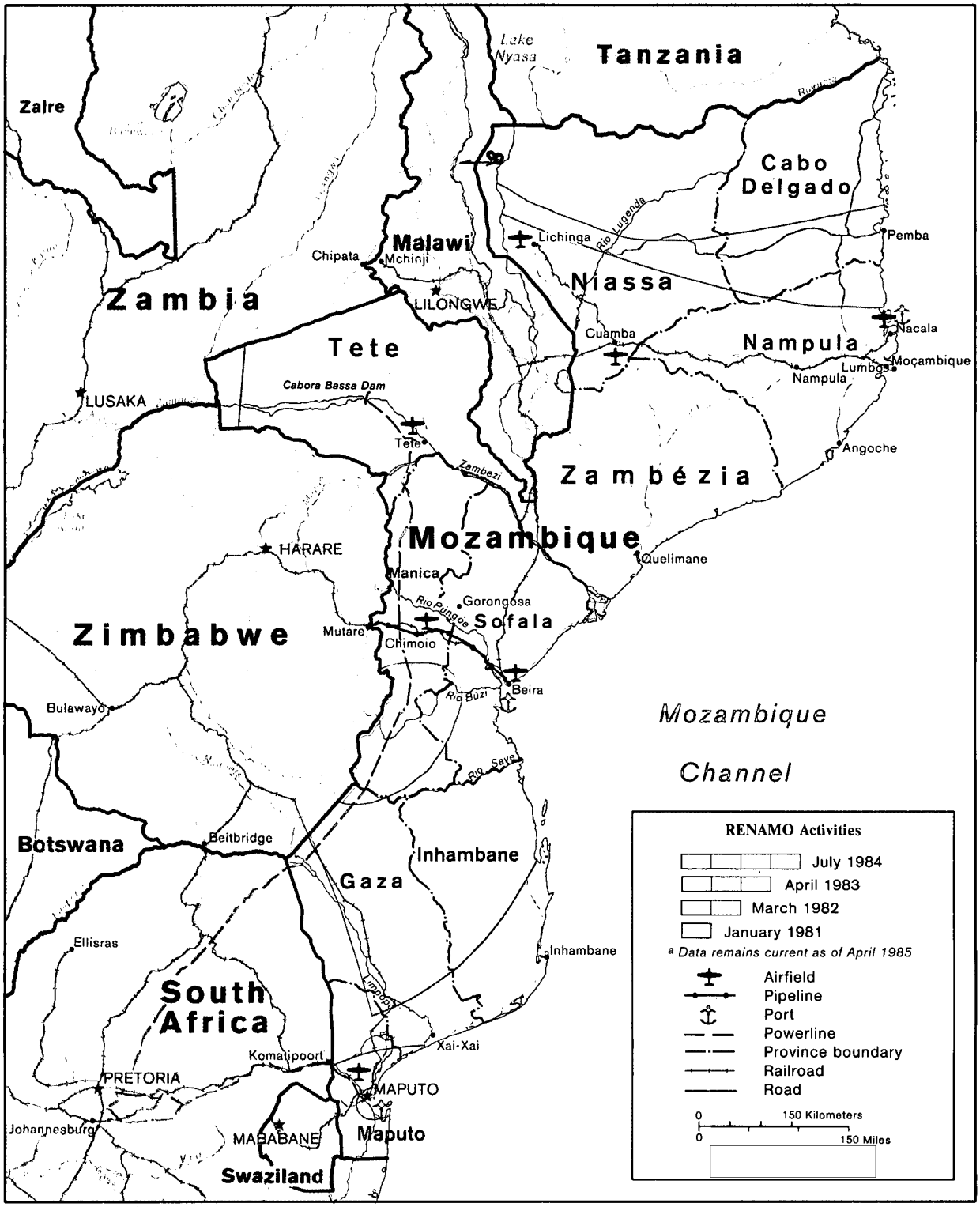
Figure 2
Expansion of RENAMO Operations, January 1981-July 1984[a]



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— RENAMO is hampered somewhat by a split between its military and political wings. There is distrust between black members of the RENAMO National Council and the movement's Secretary General and chief public spokesman, Evo Fernandes, a Goan. While Commander in Chief Jacama reportedly has found Fernandes to be useful in obtaining financial and logistic assistance outside Mozambique, the circles Fernandes travels in—as well as his race—cast doubts on the movement's credentials among many black African states.

— Ethnic and personal motives account for divisions within the political and military wings. Blacks among the political leadership are trying to unseat Fernandes, whom they see as self-interested and unrepresentative of RENAMO and Mozambique. Among the guerrillas, fairly reliable sources report resentment of apparent favoritism to members from Manica and Sofala Provinces. Nonetheless, the guerrillas are relatively unified.

The Government's Response

13. RENAMO's position is strengthened by the incompetence of the Mozambique Armed Forces,

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he Army is understrength, lacks adequate logistic support, and is plagued by woeful leadership, low morale, and increasingly frequent desertions. In our judgment, the approximately 4-to-1 ratio of FAM troops to RENAMO guerrillas is insufficient to constrain insurgents in rural areas, much less defeat them.

14. The 35,000 regular government troops, supplemented by 15,000 to 20,000 militia, are poorly trained and ill equipped to carry out an effective counterinsurgency program:

— Following independence, FRELIMO guerrilla units were transformed into Soviet-style conventional brigades that have proved incapable of coping with the smaller, more mobile RENAMO guerrilla units. In addition, many capable veterans of the independence struggle were either pensioned off or purged, while other soldiers were promoted to ranks beyond their capabilities.

— Government troops are further hampered by the fact that many of the enlisted men have been press-ganged by government recruiters. Once in the service, FAM units are paid irregularly and commanders are chronically unable to provide their troops with adequate food, uniforms, ammunition, and transport. FAM units also have engaged in banditry in rural areas.

— FAM's overall strategy remains reactive, largely responding to attacks initiated by RENAMO. For example, in late May insurgents ransacked a district capital in Tete Province for three days before a FAM unit responded.

15. FAM's limited ability to continue operations against RENAMO rests on logistic and operational assistance from the Soviet Bloc. Since independence in 1975, the Soviets and their East European allies have provided FRELIMO with more than $1.1 billion in military assistance. This assistance has included more than 80 jet fighters, 20 helicopter gunships, 400 tanks, and 400 other armored vehicles. There are approximately 2,000 Soviet, East European, and Cuban military advisers with the Mozambique Armed Forces, police, and intelligence services, and the Soviets provide air transport support for FAM.

16. Although additional Soviet arms deliveries are likely to buoy the government's belief that it can pursue the "military option," we believe such confidence illusory. For example, much of this equipment

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is unassembled or inoperable because of inefficient training, poor maintenance, and the lack of spare parts and operators. We do not believe an increase in the number of Soviet and Cuban advisers would substantially improve the government's security situation during the next year, although marginal improvements seem attainable.

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17. Nevertheless, Soviet advisers will continue to counsel an aggressive military strategy. We expect that sorties by Soviet-supplied ground support aircraft and helicopter gunships will increase both in defense of government garrisons throughout the country and perhaps in support of counterinsurgency offensive operations in the south. Shipments of small arms will allow Machel to expand the militia force, although the impact of such a force probably will not be felt for at least 12 months.

The Military Balance

18. We believe in the near term momentum will continue to rest with RENAMO:

— RENAMO cannot be interdicted by FAM units deployed along the borders because it is internal-

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ly based. Nor can Maputo contain the insurgents in isolated rural districts.

— FAM forces as presently constituted are incapable of carrying out an effective counterinsurgency campaign.

— RENAMO currently is no longer dependent on foreign aid, although it will deplete its military stockpiles if it does not capture or acquire enough supplies. RENAMO apparently has begun to establish areas of firm control, and its continued expansion is evidence of substantial rural support.

19. Maputo is unlikely to overcome these disadvantages during the next 12 months. While it probably can avoid total military defeat, the Mozambican Army may be able to do little more than hold the urban areas and a few key arteries. Civilian resistance to RENAMO is likely to remain strong in the far south, where civilians have cause to favor the government rather than the insurgents. Overall, insurgent attacks in urban areas with continuing government setbacks in the rural areas could significantly raise the chances for a coup d'etat or rapid government collapse. Furthermore, attacks in previously secure urban areas could panic already demoralized troops and lead to the Army's rapid disintegration.

Political Dynamics

FRELIMO's Agenda

20. In organization and structure, FRELIMO remains a Marxist-Leninist vanguard party with a membership of some 120,000, less than 2 percent of the adult population. The formal party structure includes the ruling Politburo (12 members) and Central Committee (125 members), but power is centered in the hands of Samora Machel, President of Mozambique since independence and leader of the party since 1970.

21. Faced with the growing insurgency, FRELIMO moved in mid-1983 to revamp its foreign and domestic policies. The government toned down its policy of collectivization, curbed some of the more egregious offenses of the security forces, and moved to open a dialogue with the West and South Africa. In our view, however, these moves were born of necessity and cannot yet be interpreted as a long-lasting and firm commitment by the party to abandon its "revolutionary" heritage and ideology, much less to move toward a more politically pluralistic and/or economically market-oriented system.[1]

FRELIMO's Strengths and Weaknesses

22. The once cohesive FRELIMO leadership has recently shown signs of factionalism.[2] While Machel's faction appears to remain very much in charge, a coterie of pro-Soviet hardliners in the Politburo and Central Committee are critical of the Nkomati process. Over time, these extremists may well create a serious threat to Machel's control of the party and security forces.

23. FRELIMO's efforts to promote national integration have met only limited success at best. The party's strongest support continues to come from the Shangana tribal group in the south and from the country's small white, mestico, and Indian communities. FRELIMO has little popular support in the heavily populated central provinces, where forced collectivization and resettlement have led many peasants to cooperate with the insurgents. FRELIMO's harsh treatment of traditional tribal leaders and their families has further alienated many Mozambicans.

24. Another danger to Machel could come from the Armed Forces. 25X1

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We believe that some 25X1 senior FAM officers might move against Machel, if they perceive that the war is hopeless, in order to establish a government with which RENAMO will negotiate.

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Samora Machel

25. As President of Mozambique and FRELIMO, Samora Machel unquestionably remains the most popular political figure in Mozambican politics. Machel enjoys a strong power base in the military and party and has essentially functioned since mid-1983 as his own defense minister. More recently, he has moved to consolidate his control of the security services by restructuring the defense and political leadership and by putting trusted aides in key positions.

26. We see little evidence that Machel currently is bent on fundamentally altering the nature of his regime. More likely, the pragmatic Machel is likely to continue to move toward allowing a somewhat greater role for the independent peasant farmer and small entrepreneur while maintaining FRELIMO's monopoly on political power and overall direction of the economy. Likewise, on the foreign policy front, Machel may continue to move Mozambique away from slavish support for the Soviet Union in international forums, and temper FRELIMO's former criticism of the West and the United States. Machel has in the past shown remarkable flexibility, however, and we cannot rule out a dramatic policy change, either offering major political concessions to bring RENAMO to negotiations or renouncing the Nkomati process, should he perceive Western aid declining and the military situation in extremis.

Economic Realities

Economic Problems

27. Mozambique's once relatively prosperous economy now is characterized by almost continuous decline. The GDP, for example, fell by 10 percent during the 1982-84 period. Domestic production and foreign investment have been hurt by the critical shortage of foreign exchange and skilled personnel, periodic severe droughts (and flooding caused by cyclones), historically hostile relations with economically more powerful South Africa, the RENAMO insurgency, and misguided Marxist economic policies.

28. Machel's economic problems are illustrated by potentially agriculturally rich Mozambique's now chronic inability to feed itself. The government, for example, admitted last year that 5 million of the country's 14 million people were affected by food shortages. The government's collectivization and nationalization policies have ruined the once prosperous agricultural sector, and the government now admits that not one state farm was able to turn a profit in 1983. However, recent rains have somewhat improved prospects for increased agricultural production.

29. While Western economic assistance—approximately $200 million in 1984—has helped keep the economy at least marginally afloat, it has contributed little to overall economic development, and it cannot overcome the impact of the insurgency on the already battered modern sector. RENAMO reportedly has destroyed 60 major industrial enterprises and one-third of the country's rolling stock. In addition, it is able to disrupt rail and road links, electrical power lines, and petroleum pipelines to Swaziland, South Africa, Malawi, and Zimbabwe.

Current Policies

30. Machel in 1983 took the first tentative steps away from FRELIMO's commitment to a planned economy, dismissing the two architects of the Soviet-style collectivization and appointing one of his senior security advisers with a reputation as a pragmatist as the country's new economic czar. Beginning in late 1983, the government also started to provide land and marketing incentives to peasant farmers. In 1985, these incentives called for removal of price controls on some staple crops and higher prices for others. While some of these programs have had positive effects, they are insufficient to reverse the overall economic decline.

31. Mozambique will remain critically dependent on foreign food aid, with at least 2 million people—15 percent of the population—now directly dependent on foreign food aid. The United States alone, for example, provided $45 million in food aid in 1984. The loss of food aid—even with an improved 1985 harvest—not only would significantly increase the numbers of people at risk but could also endanger the regime's hold on urban areas.

32. Prospects for any substantial economic recovery—let alone a return to preindependence levels—are slight. By mid-1986, Mozambique will be even more dependent on Western food aid to feed its urban enclaves. Notwithstanding Mozambique's recent IMF agreement and Paris Club debt rescheduling, any significant recovery in the short term will require a radical improvement in the security situation. The continuing erosion of security will reduce the government's efforts to maintain hard currency exports, frustrate agricultural reforms, decrease government revenues, and prevent the government from repaying

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short-term debt. Moreover, while the government can take some encouragement from the prospect of greater hard currency revenues from the completed agreements with South Africa on migrant labor, fishing, and the supply of Mozambican electricity to South Africa, Western and South African companies and financial institutions will remain reluctant to make what they see as risky investments and loans.

Key External Actors

South Africa

33. The Nkomati Accord remains one of the signal successes of South African diplomacy in the last decade, and we believe Pretoria will work hard to prevent its collapse. As domestic unrest in South Africa increases, for example, the Botha government is likely to place even greater importance on denying the African National Congress a base of operations in neighboring Mozambique. (In the year since the signing of the Accord, our data show that ANC attacks inside South Africa decreased dramatically.)

34. Pretoria's position as the economic powerhouse of the region, and, specifically, as Mozambique's largest trading partner and its chief source of foreign exchange earnings, will continue to give South Africa considerable leverage to influence bilateral relations. There are significant limits, however, to how far Pretoria is willing and able to go in providing economic assistance to Mozambique.

35. South Africa does have the option of increasing its discreet security assistance to the Machel government. However, we believe that future assistance will be modest and largely symbolic, and will not involve the assignment of South African military personnel to Mozambique. While Machel has accepted limited nonlethal security material from South Africa, he has resisted Pretoria's proposal for expanded security cooperation to avoid domestic and foreign criticism.

36. Should the South African Government conclude that Machel is unable to reverse the security situation, we believe that some elements, primarily within the military, would argue for reestablishing a substantive relationship with RENAMO. For example, despite its commitment in the Nkomati Accord to cease military support for RENAMO, Pretoria has maintained contact with the insurgents. This argument would probably prevail should FRELIMO undertake actions that could contravene South African regional interests such as permitting reestablishment of an ANC presence in Mozambique or introducing Cuban combat forces.

The Soviet Bloc

37. Moscow's primary short-term objectives in Mozambique are to revitalize and solidify its role as Mozambique's primary bilateral benefactor and to limit Maputo's tactical opening to the West. Moscow's longer term objectives in the region include:

— Preserving established Marxist-Leninist regimes.

— Undermining Western diplomatic initiatives in southern Africa.

— Isolating the United States by associating it with South African apartheid.

— Gaining access to air and naval facilities that would expand the Soviets' ability to monitor Western and South African activity in the region.

— Promoting destabilization in South Africa, with the ultimate objective of overthrowing its white minority regime.

38. The basic underpinnings of the Soviet-Mozambican relationship remain intact, although the Nkomati Accord and Machel's overtures to the West have altered somewhat the tone of the relationship. Maputo remains dependent—and will remain so as long as FRELIMO presses for a military solution—on the Soviet Bloc for military equipment and advisory support. Since 1975, for example, Bloc nations have provided about $1 billion in military hardware and thousands of advisers.

39. Despite the continuing deterioration of FRELIMO's political authority, the Soviets probably will continue with assistance and an advisory presence at current levels. With compression of FRELIMO forces into the south and into perimeters around cities, this assistance could become more effective, and would preserve what we believe is Moscow's basic good investment—the preservation of a generally pro-Soviet regime in at least the capital area—and not necessarily one led by Machel.

40. The Kremlin has two less palatable options—disengagement from or more direct involvement in Mozambique:

— Disengagement would call into question Moscow's reliability as an ally, and almost certainly would be seen in the Kremlin as a setback. We believe disengagement unlikely under these circumstances.

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— The pressure of a deteriorating situation may tempt Moscow to stimulate a coup against Machel by pro-Soviet elements of FRELIMO. The Soviets, however, have other assets to maintain the FRELIMO regime in power in the capital without having to resort to a coup. For example, they could pressure Fidel Castro to commit Cuban combat troops that could make effective use of Soviet-supplied arms. Provided Mozambican ports and key airfields were secure, the transfer of 5,000 to 10,000 Cuban troops and necessary support materiel could be carried out over the course of a few months. We believe that Moscow would not commit its own combat troops, but that the Soviet military and advisory presence could be increased and Soviet air and sea transport support could be augmented. These options would run the risk of provoking some form of hostile South African reaction, and so must be considered high risk and, in our judgment, improbable.

Neighboring African States

41. The direct impact of Mozambique's domestic turmoil on the economies of adjacent nations leaves Maputo's neighbors with little choice but to become at least peripherally involved in the current conflict. Landlocked Malawi, Zimbabwe, Swaziland, and—to a lesser extent—Zambia, for example, depend heavily on Mozambique's ports, railroads, and pipeline for critical imports. Since 1982, RENAMO's ability to cut these lines not only has made the export of goods difficult and raised the cost of imports, but also has forced a greater reliance on South African railways, harbors, and oil refineries.

42. Tanzania and Zimbabwe have proved the most active supporters of the Machel regime. Since the early 1980s, both have provided military assistance, with Tanzania providing some 120 military advisers to FAM forces, while about 6,000 Zimbabwean troops currently operate in Mozambique to secure a key pipeline, roads, and rail links from the port of Beira. While no neighboring nations openly support RENAMO, porous borders and the sorry state of most of the region's armies permit RENAMO to use adjacent states as military sanctuaries and sources for nonmilitary supplies.

43. Beyond continuing rhetorical support, there is little the Frontline States, apart from Zimbabwe, realistically can provide the Machel government. Their own serious economic problems will continue to make it impossible for them to provide significant humanitarian and economic assistance. Nor, given their own domestic political realities and military capabilities, are these countries—with the exception of Zimbabwe—in a position to provide more than token military help. While Harare has indicated that it is providing additional troops, such a commitment is likely to be directed more to protecting Zimbabwe's transport outlets and will not significantly improve FRELIMO's overall military position.

Other Actors

44. The Machel government will continue to seek assistance from any and all sources, including Portugal, the European Economic Community (EEC), and the Scandinavian nations. Whatever Maputo's expectations and demands, Lisbon's own economic priorities and difficulties will preclude greatly increased Portuguese economic assistance.

45. Since 1984, the EEC and the Scandinavian nations have provided Mozambique more than $100 million in economic assistance [redacted] 25X1
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. As with all other aid, however, organizational and logistic deficiencies hamper the government's ability to make effective use of either economic or security assistance. Moreover, RENAMO's announced policy of targeting aid workers is likely to disrupt foreign-assisted projects in the countryside and—if stepped up—could lead to the withdrawal of even more Eastern and Western aid technicians.

Near-Term Outlook: Deterioration

46. The Mozambican security situation is likely to deteriorate further during the next year, perhaps rapidly at some point in the next six months. We expect that RENAMO operations will intensify in the rural areas, providing a growing threat to district and provincial capitals in the northern and central provinces. We believe that by mid-1986 FRELIMO may have absolute control over little more than the major coastal cities and isolated rural areas. Large rural areas will probably be essentially ungovernable.

47. RENAMO's sustained military pressure will place Machel increasingly in danger, both from elements within his military seeking a rapprochement with RENAMO and from leftwing ideologues critical of Machel's flirtation with the West. We believe that the danger to Machel will intensify in direct proportion to the deterioration of the security situation.

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Furthermore, it appears to us that a successful coup by either pro-RENAMO or pro-Soviet elements of the military or party would reduce FRELIMO's already dwindling authority in Mozambique as well as its ability to attract assistance from abroad.

Scenario 1—Slowing the Military Decline

48. We believe that Machel can hope to slow the deteriorating security situation only through better use of his limited military assets, continued economic reforms, and deployment of other African forces.[3] The failure of the insurgents to develop a grassroots political structure, however, could prevent RENAMO from better exploiting the general antipathy to FRELIMO of large segments of the population. The lack of a reliable source of heavy weapons could also curtail RENAMO's ability to hold areas from which FRELIMO has been driven. Even so, we assess that, under the current conditions, FRELIMO will continue to lose control gradually of rural areas in central and northern provinces.

49. Under this scenario, we do not anticipate any breakthrough in attempts by various parties to broker a cease-fire between the Machel government and RENAMO for the period of the Estimate, but rather envision both sides continuing to seek a military victory. Nor do we see dramatic changes in external support to the Machel government from the USSR, South Africa, and the West. This could change, however, if Machel were to be overthrown.

Scenario 2—Machel Takes Drastic Action

50. The continuing deterioration of the tactical situation may force Machel to make a radical change in Mozambique's political orientation. In 1983, at the Fourth Party Congress, when he abandoned many of the tenets of a socialist planned economy, and in 1984, when he signed the Nkomati Accord, Machel demonstrated his ability to change political directions rapidly. We believe it possible that Machel may choose either to open negotiations with RENAMO or to abandon the Nkomati process and turn to the Soviet Bloc to provide increased security support to his government:

— *Negotiations and Reconciliation.* Machel, while at present advocating a "war track," could signal his willingness to negotiate with the insurgents through the good offices of Pretoria and the West. While the development of such a scenario could be favorable to Machel, it would also carry certain risks. Machel might calculate that he could restrain Jacama once in the government. He might also believe that such a move could obviate any threat of a coup from proaccommodation elements, but such a move would increase the risk of a coup from pro-Soviet elements.

— *Abrogation of the Accord.* We believe that Machel might renounce the Nkomati Accord if he were convinced that the Nkomati process was no longer relevant and his regime's survival endangered, and if the Soviets signaled unambiguously their willingness to increase their assistance substantially.

Scenario 3—RENAMO Victory

51. We believe that, in the time frame of this Estimate, there is only a small chance that RENAMO's military pressure will break the Machel regime. The insurgents' seizure of a major provincial capital such as Nacala, Beira, or Nampula, however, could traumatize the FAM, convincing senior officers that the decline in the security situation had become irreversible. Such a loss could spark the defection of major military units to the insurgents and hasten the demise of the regime.

52. In our judgment, following a FRELIMO collapse RENAMO would have even more difficulty in addressing the country's security and economic needs. RENAMO is primarily a military movement and is likely to remain so during the period of this Estimate, without the political structure to restore order to the countryside. We would expect elements of FRELIMO to return to the "bush" to carry on the armed struggle with the assistance of the Frontline States and the Soviet Bloc. A RENAMO regime would almost certainly be supported by the South African Government.

Implications for the United States

53. The evolving situation in Mozambique during the next 12 months contains both positive and negative implications for the United States. On the positive side, we note:

— If the Mozambican Armed Forces' military fortunes continue to decline, the credibility of the Soviet Union as the government's major military

[3] Under this scenario, we believe that, in order to avoid provoking Pretoria, Machel will not seek Cuban or Soviet Bloc combat troops.

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supplier and adviser will be called increasingly into question. Criticism of the Soviet role is likely to increase within the Mozambican Government. Elsewhere in the Third World—and particularly among FRELIMO's allies—we already have observed critical assessments of the "failure" of the Soviet counterinsurgency role in Mozambique. This is particularly significant given that the Soviet Union's principal foreign policy weapon in the Third World remains military assistance.

— Likewise, if RENAMO and other internal pressures continue to stimulate the government to move away from Soviet-style centralized economic planning, this would depreciate the attractiveness of Marxist-Leninist economic orthodoxy as a viable alternative for Third World nations.

— In our judgment, a bold gesture by Machel promoting talks with RENAMO—probably in response to increased RENAMO pressure—would be most favorable to US interests. Such a scenario carries with it the implication of reduced influence among pro-Soviet hardliners in FRELIMO, further moves away from adherence to Soviet political and economic models, and possibly provoking the Soviets into some disengagement from Mozambique.

— The United States also could claim some benefits from what we see as less likely scenarios of an outright RENAMO victory or a coup against Machel by FRELIMO factions willing to reconcile with RENAMO. The Soviets, for example, would experience a political and psychological setback from the overthrow of a professed Marxist-Leninist regime heavily armed and dependent on the Soviet Bloc. Moreover, for a time, such developments would tend to lock in" the Nkomati process, deny the Soviets access to facilities in Mozambique, and perhaps ease South African apprehensions by creating a new buffer state that would continue to prohibit ANC activities.

54. The fast-changing situation in Mozambique, however, is not without risks and negative implications for US interests:

— The prolonged economic decline and security crisis will create new requests and demands on the United States and the West to move rapidly and dramatically to step up economic, and perhaps military/security, assistance. Expectations in Maputo and other Third World capitals will be high that the United States, other Western nations, and international organizations such as the IMF will respond favorably to such requests as long as Machel holds to or increases economic reform programs and his political openings to the West. Failure to meet these expectations at least partially runs the risk of a Machel counterresponse to the benefit of Moscow.

— Machel's position also could deteriorate to the point that he believes he has no choice but to renounce Nkomati and move closer to Moscow. In a variation of this scenario, pro-Soviet hardliners could oust Machel in an attempt to accomplish the same goals. In both cases, improved relations with the West and continued economic reforms would be scratched as the situation returned to the status quo that existed before 1983—a loyal Soviet client confronting and perhaps allowing ANC activity against a hostile and increasingly belligerent South Africa. US leverage over either party in this situation would, in our judgment, be extremely limited.

— A RENAMO victory would present the United States with a pro-Western but weak regime facing a devastated economy, and the possibility of a new civil war against FRELIMO remnants fighting from the bush and supported by neighboring states and probably the Soviet Bloc. Neighboring states such as Zimbabwe and Tanzania would feel threatened and would probably turn to external sources, including the Soviet Bloc, for more military assistance. Much of the Third World would see the replacement of a FRELIMO regime by RENAMO as "proof" of US collaboration with South African imperialism. Any credibility the United States has as an impartial negotiator or interlocutor among black African nations could be severely damaged. The United States would come under pressure from RENAMO and South Africa to support the new government while at the same time coming under strong pressure from other black African and Third World nations to isolate what they see as a new South African "puppet."

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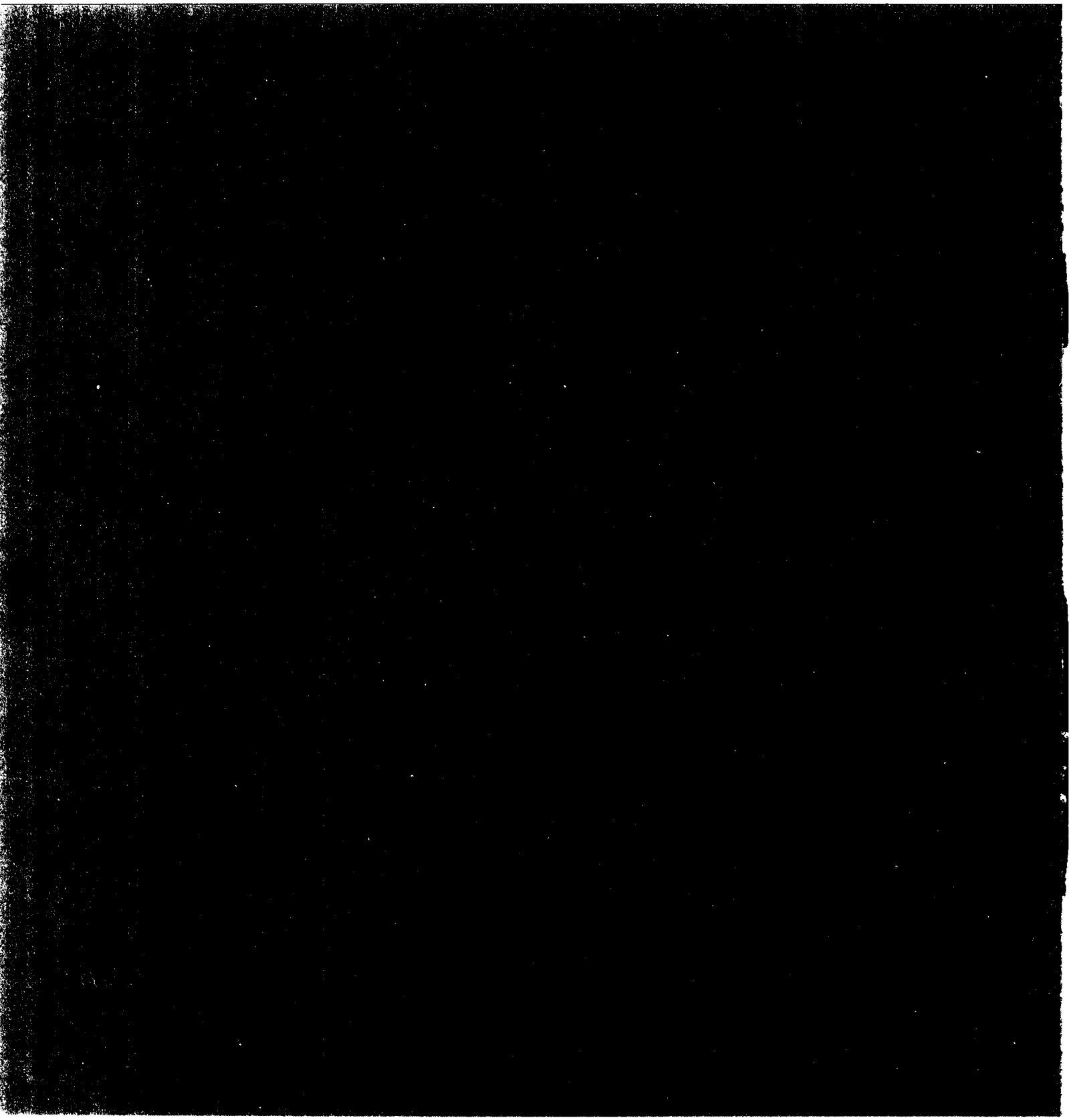

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